

# Permanent Improvement Project Process Improvement



JENNIFER LOPRESTI

Capital Budgeting Manager  
Executive Budget Office

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## Introduction

The Capital Budget Office, a division of the Executive Budget Office, within the South Carolina Department of Administration, has been given oversight responsibility for the State's permanent improvements program.

The Office coordinates the approval process, and monitors and reports budgets and expenditures of all permanent improvement projects for state agencies and higher education institutions in the state of South Carolina. The current processes and procedures for project establishment and monitoring activities are centralized and were developed after the establishment of the South Carolina Code of Laws in 1976.

## Problem/Challenge

The Manual for Planning and Execution of State Permanent Improvements was originally written in response to the requirements of Section 11-35-3240 of the 1976 South Carolina Code of Laws, as amended, and published by the Capital Budgeting Unit within the State Budget Division of the Budget and Control Board. Since creation, the Manual has been revised multiple times to reflect amendments to the South Carolina Code of Laws and changes to Joint Bond Review Committee policy.

In 2018, the Manual was again revised and retitled as *Policies and Guidance for Establishment and Maintenance of Permanent Improvement Projects* (Executive Budget Office, Jan. 2018, <https://www.admin.sc.gov/budget/capital-budget-office/manual>)

This document incorporates revisions dictated by the South Carolina Restructuring Act (Act 121 of 2014) and includes new and revised policies adopted by the Joint Bond Review Committee.

The challenge the Capital Budget Office (CBO) is facing is regarding the current physical Permanent Improvement Project (PIP) processes. The documents, data collected, and submission and review process methods have not changed much over the past 43 years. The current process is antiquated and inefficient and needs to be modified to meet the current needs of the users and customers. The current process is paper driven and labor intensive for both the agency/institution submitting the request, and for the CBO, reviewing and processing the request. There are redundancies in the current process that need to be eliminated. The current outdated processes have resulted in delayed processing times which impact agency/institution mission.

All aspects of Permanent Improvement Project (PIP) request submissions from state agencies and higher education institutions need to be reviewed and updated to allow for an efficient process while adhering to the requirements of the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA). To address this challenge, this project will collect and review data relevant to the SC Code of Law requirements for permanent improvements, Joint Bond Review Committee (JBRC) and State Fiscal Accountability Authority (SFAA) policy requirements, and the quantity of permanent improvement project requests received/processed with their associated approval requirements based on the SC Code of Law and JBRC and SFAA. The use of technology will also be explored to assist in streamlining the process.

## Data Collection

Before beginning to explore how we can resolve the inefficiencies with the current Permanent Improvement Project (PIP) process, we need to understand the applicable SC Code of Laws, and JBRC/SFAA policy governing the process.

The law provides that “The General Assembly finds that a need exists for careful planning of permanent improvements and of the utilization of state general obligation and institutional bond authority in order to ensure the continued favorable bond credit rating our State has historically enjoyed. It further finds that the responsibility for management of these matters is properly placed upon the legislative and executive branches of government. It is the purpose of this chapter to further ensure the proper legislative and executive response in the fulfillment of this responsibility.”<sup>1</sup>

Section 2-47-20 of the SC Code of Laws established the Joint Bond Review Committee (JBRC), which includes a six-member joint committee of the General Assembly and Section 2-47-25 added four additional committee members to be appointed. The role of the ten-member committee, includes but is not limited to, studying and monitoring policies and procedures relating to the approval of permanent improvement projects.

The powers and duties of the JBRC are defined in the SC Code of Laws, S.C. Code Ann. § 2-47-30. (Appendix A)

The information to be furnished by agencies and institutions to assist JBRC and SFAA in carrying out their respective responsibilities are defined in the SC Code of Laws, S.C. Code Ann. § 2-47-40. (Appendix B) This law further provides, that the

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<sup>1</sup> S.C. Code Ann. § 2-47-10

Commission on Higher Education (CHE) is charged with conducting a review and making a recommendation for permanent improvement projects undertaken by state institutions and technical colleges prior to review by the JBRC.

The SC Code of Laws, S.C. Code Ann. § 2-47-50. (Appendix C), provides that SFAA shall formally establish each permanent improvement project before any actions which implement the project can be undertaken. The project must also be established before any expenditures can be made toward the project purpose.

Section 10-1-180 of the SC Code of Laws authorizes the Joint Bond Review Committee and the Budget and Control Board<sup>2</sup> to determine the cost amount requiring establishment of a permanent improvement project, and further authorizes the committee and the board to determine cost amounts for minor construction projects not requiring establishment of or approval as permanent improvement projects.

In September 1991, the State Budget and Control Board approved the definition of a permanent improvement project, after review by the JBRC. The definition addresses the cost and other qualifying factors requiring establishment of permanent improvement projects. Act No. 74 of 2011 among other things amended the provisions of Code Section 2-47-50 by establishing a statutory definition for higher education institutions.

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<sup>2</sup> At the direction of the Code Commissioner, reference in this section to the former Budget and Control Board has not been changed pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), until further action by the General Assembly. The South Carolina Department of Administration administers the programmatic responsibilities on behalf of the State Fiscal Accountability Authority pursuant to a Memorandum of Understanding; however, as a practical matter, establishment of policy remains vested in the Authority as successor to the State Budget and Control Board. As of the date hereof, the Authority has not altered policy with respect to permanent improvement project definition, establishment, project cost thresholds, or other matters covered by Section 10-1-180 of the Code of Laws.

In November 2007, the JBRC established a policy concerning permanent improvement projects which governs the establishment and revision of most permanent improvement projects. Because all projects must be reviewed by JBRC before they are submitted to SFAA, the policy has also become a policy of the SFAA de facto. Under the policy, JBRC recommends approval of permanent improvement project requests for construction or renovation work in two phases.

The CBO publishes and maintains a summary of common submission types and the levels of review and approval required for each type and threshold. The summary is attached as (Appendix D).

The next step in the data collection process was to determine how many PIP requests have been received and processed. Based on the revisions dictated by the South Carolina Restructuring Act of 2014 and the data available since that time, it was possible to compile a listing of all project request transactions for calendar years 2016, 2017 and 2018 to complete data analysis.

The results of this data collection found that CBO has processed a total of 1,329 PIP related transactions in the past three years combined. A total of 716 items were processed at the Administration approval level in the past three years combined. A total of 228 items were processed at the JBRC Staff level in the past three years combined. A total of 182 items were processed at the JBRC level in the past three years combined. Lastly, a total of 203 items were processed at the SFAA level in the past three years combined. These counts can be found on the next page and are shown broken down further by calendar year.

Approval Level Required	2016	2017	2018	Grand Total
Administration	109	404	203	716
JBRC Staff	48	103	77	228
JBRC	44	64	74	182
SFAA	40	65	98	203
<b>Grand Total</b>	<b>241</b>	<b>636</b>	<b>452</b>	<b>1329</b>



In the Data Analysis section to follow, the requirements of the SC Code of Laws, JBRC/SFAA policy and the PIP transactions processed over the last three calendar years will be discussed to determine process improvement methods appropriate to streamline the current PIP process.



## Data Analysis

As determined through reviewing the requirements of the SC Code of Laws and JBRC/SFAA policy, there are very specific regulations that must be followed for each permanent improvement project request submission. Because of these regulations, the CBO has limitations on the changes that can be made to the required information to be submitted for project requests. However, the format and method of submission for project requests can be modified if the information collected remains the same.

The current process requires agencies/institutions to submit both a hard copy original of all project requests via mail, as well as, an electronic copy via email. This redundant process creates duplication of efforts on part of the agency/institution and the Capital Budget Office. Most permanent improvement project submission items require an A-1 form, an A-49 form, Budget Load Worksheet (see Appendix E) and a Questionnaire (see Appendix F – I) to be submitted. In addition to the items noted, detailed project cost estimates, and other pertinent items may be required to accompany project submissions as additional documentation. Property acquisitions require additional forms to be completed (see Appendix J – K). Because of the requirements for the information to be provided in project requests, they can be lengthy and are often hundreds of pages long. Over the life of every capital project, which span multiple years, there will be a minimum of three submissions. There will be a request to establish Phase I for A&E design, a request to establish Phase II construction and a request to decrease and/or close the project.

The chart below reflects the number of open Phase I and Phase II capital projects in calendar years 2016, 2017 & 2018 as found in the December 31<sup>st</sup> detailed Statewide Permanent Improvements Reporting System (SPIRS) report for each

respective calendar year. As of the end of 2018, there are 557 open capital projects. As of the end of 2017, there were 573 open capital projects. As of the end of 2016, there were 751 open capital projects.

	December 31st		
	2016	2017	2018
Open Permanent Improvement Projects	751	573	557

From the data collected on the number of permanent improvement projects processed, we can conclude that the number of requests processed since 2016 has increased across the board for all approval level types. However, the data shows that most of the items processed are Administration level approval items, and that the number of open capital projects has decreased since 2016. It can be concluded from these findings that 482 of the 716 Administration level transactions (or 67.32%), are the result of project completion and closure. However, this is only 36.27% of the total transactions processed in the last three years. The remaining 847 transactions total 63.73% and are reflective of establishing new projects and ongoing progress with existing projects.

The chart shown on the next page displays the number of transactions processed as discussed in the above paragraph. As the chart shows, there are a wide variety of request options that are received and processed by the CBO.

As we move on to discuss the Implementation Plan, we will evaluate the current process to define the basis for which to move forward to achieve our objective of improving the PIP process.

Row Labels	2016	2017	2018	Grand Total
<b>Administration</b>	<b>109</b>	<b>404</b>	<b>203</b>	<b>716</b>
Cancel Project	5	29	2	36
Change Source of Funds	5	4	1	10
Close Project	8	57	26	91
Decrease Budget	2	2	6	10
Decrease Budget/ Close Project	45	213	97	355
Decrease Budget/Revise Scope		1		1
Decrease Budget/Revise Scope/Change Project Name		1		1
Establish	19	18	19	56
Increase Budget	3	6	8	17
Increase Budget/Change Source of Funds		1	2	3
Increase Budget/Revise Scope	1	6		7
Revise Scope		5	6	11
Revise Scope/Change Project Name	1	1	1	3
Transfer From/Decrease Budget/Close Project	14	32	22	68
Transfer From/ Decrease Budget	1	4	1	6
Transfer To/Increase Budget	5	24	12	41
<b>JBRC</b>	<b>44</b>	<b>64</b>	<b>74</b>	<b>182</b>
Change Source of Funds		2	3	5
Establish	21	27	35	83
Establish/Transfer To		1		1
Increase Budget	19	26	32	77
Increase Budget/Change Project Name		1		1
Increase Budget/Change Source of Funds		1		1
Increase Budget/Revise Scope	1	3	1	5
Revise Scope		2	1	3
Revise Scope/ Increase Budget		1		1
Transfer To/Increase Budget	3		2	5
<b>JBRC Staff</b>	<b>48</b>	<b>103</b>	<b>77</b>	<b>228</b>
Change Source of Funds		3	1	4
Decrease Budget/ Close Project		1		1
Establish	28	56	41	125
Establish/Transfer To		1		1
Increase Budget	17	36	30	83
Increase Budget/Change Project Name		1		1
Increase Budget/Change Source of Funds			1	1
Increase Budget/Revise Scope	1	2	1	4
Revise Scope		2	1	3
Revise Scope/ Increase Budget	1		1	2
Transfer From/Decrease Budget/Close Project	1			1
Transfer From/ Decrease Budget		1		1
Transfer To/Increase Budget			1	1
<b>SFAA</b>	<b>40</b>	<b>65</b>	<b>98</b>	<b>203</b>
Establish	19	33	45	97
Increase Budget	20	29	48	97
Increase Budget/Change Project Name		1		1
Increase Budget/Change Source of Funds	1	1		2
Increase Budget/Revise Scope		1	5	6
<b>Grand Total</b>	<b>241</b>	<b>636</b>	<b>452</b>	<b>1329</b>

# Implementation Plan

As discussed in the Data Analysis section and attached in appendices E-K, there are many documents that require completion for each PIP submission request. These documents are placed on the Department of Administration's website under the Executive Budget Office, and are a combination of fillable PDF, Microsoft Word, and Excel documents. Although some of the documents have been revised over the years, they all need to be streamlined to reduce the number of required pages and redundant responses. Below is a list of the documents currently in use and ways they can be updated to bring the process up to date to meet today's needs.

## PIP Request (A-1 Form) – Appendix E

- Header fields no longer utilized and can be removed.
- Project Action Proposed section to be revised to include possible submission types not currently reflected on the form.
- Project Description and Justification section to be expanded
- Estimated Project Schedule and Expenditures to be expanded to include construction start and construction completion.
- Proposed Source of Funding to be revised to include the SCEIS system account ledger codes instead of the SPIRS system account ledger codes.
- SCEIS WBS Elements to be incorporated.

## Additional Annual Operating Costs/Savings Resulting from PIP (A-49 Form)

- Document needs to more clearly identify future anticipated annual operating costs or savings. The current form is not properly utilized as intended.

## Budget Load Worksheet

- This document should be combined with the revised A-1 Form and eliminated.

## PIPs Required Information for Phase I A&E Pre-Design Proposals

## PIPs Required Information for Phase II Construction Budget

## PIPs Required Information for Budget Increase

## PIPs Required Information for Preliminary Land Acquisition Investigative Studies Proj.

- Documents should be combined into one document to eliminate redundancies.

## Property Acquisition Information Format

## Request to Acquire Real Property

- Documents should be combined.

In addition to streamlining the above referenced documents, it would be beneficial to remove the use of multiple types of digital media such as Microsoft Word and Excel from the process, and only utilize fillable PDFs. Since PDF files are the most widely utilized file types for distribution in our office, eliminating the need to convert other digital media types will improve efficiency for both the agency/institution and the CBO. Another improvement to the current process that would be beneficial is to stop requiring hard copy signed original documents to be sent through the mail. Electronic submission of PIP requests is already required and therefore the manual submission of project requests through the mail is unnecessary and redundant. Further, through the research process for this project, it has been concluded that there is not a SC Code of Law or JBRC/SFAA policy requiring submission of original hard copy signed documents. Electronic PDF files can be electronically signed, and this step would be added to the updated submission process.

To accomplish the goal of streamlining the required submission documents for PIP requests, it will be necessary for our staff to draft up sample documents with all the proposed changes and meet with the Executive Director of the Department of Administration, as well as JBRC and SFAA staff. Upon their approval of the changes, our office would then need to plan out agency/institution training on the document changes and map out a timeline for implementation. Based on the amount of effort involved, approvals needed, and user training required, this process could take six to eight months to complete. Potential obstacles we could face would be with the technical skill of the agency/institutions users, and/or the user's ability to obtain Adobe Pro. Through training sessions held prior to implementation, we could work through these obstacles.

Once the required documents for PIP requests are submitted, the next labor-intensive step in the process involves the compilation and analysis of the submissions. The steps taken to streamline the documents and digital media received will expedite the compilation portion of the process. However, the analysis step in the process cannot be adequately improved without employing the use of additional technology. Currently, the analysis process involves manually sifting through the variety of completed documents received to include back up documentation such as cost estimates, environmental studies, building condition assessments, etc... Streamlining the required submission items will not eliminate the requirement to complete this part of the process manually. The current process requires the relevant data specifically needed for JBRC and SFAA, to be manually located in each document and then to be manually transferred into a separate document that we refer to as the JBRC Summary and the SFAA Summary. This additional effort adds anywhere from 30 minutes to 2 hours to the review process for each PIP submission. Additionally, when errors exist, or data is missing, the information must be requested manually through email which also adds additional time to the review process.

To address the inefficiencies in this part of the process, I met with Nathan Hogue, Program Management Office Administrator within the Department of Administration, as well as other individuals in the agency, and explored the possibility of utilizing the OnBase Document Management system. In the demo, Nathan explained that the platform is an enterprise system that is centrally maintained and run. He shared that the system can be utilized from creation of the PIP request by the agency/institution, all the way through to the result of producing the JBRC agenda item summary. The capability exists to develop workflows within the system which would eliminate the need to create

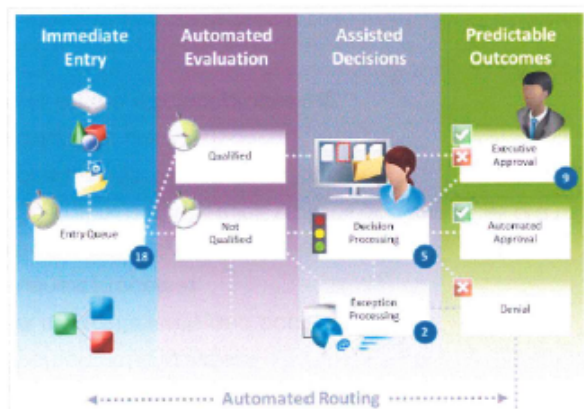
manual emails to correspond on requests, questions, etc... He showed us several parts of the system to illustrate that the system is user friendly, securable and includes dashboards that are real time. The system can also act as document storage once a request has gone through the process and is approved. CBO and the agency/institution can access projects in the web-based system indefinitely. At the demo, Nathan provided a handout which included the diagrams included below to give a general visual representation of how OnBase could work for us. These diagrams illustrate the data and its flow through an automated system.

## OnBase Components



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## OnBase Workflow Module Example



Components



To move forward with exploring this option further, CBO will need to first get approval from the Executive Director of the Department of Administration. Second, CBO will need to meet with Keymark to go through in detail, the requirements we have for the system and our goals and expectations. From this meeting, Keymark will determine how many hours, and the number of staff needed on their end to develop an application for us, which will come with a cost. During the demo, Nathan explained that there would be a onetime development cost, hosting cost, and annual license fees. He also explained that since this is part of the state shared services, the procurement process is eliminated. Additionally, since this is a commercial off the shelf software, the cost will be less expensive because they are only building the application for us and not building a custom system. Nathan cautioned that we will need to designate an inhouse Project Manager, as well as, we will need to have a full-time systems person on our staff from the beginning so that he/she can learn the application and manage any updates and changes necessary with the application after it is implemented since Keymark would not provide support services after the implementation period ends.

Nathan did explain that this would be a very large and extensive project to undertake but he believed that OnBase could deliver all the improvements we desire. Cost may be an obstacle depending on funding availability as this endeavor could cost \$500K up front with approximately \$100K per year thereafter for license fees. We estimate that it would take one year to successfully complete a system implementation of this size. Even with the extensive cost and time involved, if OnBase could be utilized for the PIP process, it would significantly improve the current processes and procedures and allow CBO staff to focus on other capital related areas such as Capital Planning and the Comprehensive Permanent Improvement Plan (CPIP).



## Evaluation Method

To determine if our solutions will be successful, we will need to test the revised documents through practice to determine if and where any deficiencies exist before they are rolled out. We will want to ensure that we meet our objective of collecting the same information but that we are doing so in a manner that is more efficient. This can be accomplished by working with a small select group of users by having them test the documents with a fictitious project and then providing their feedback. Additionally, we can evaluate OnBase by contacting other agencies that have utilized the software similarly to what we envision our use to look like and solicit their feedback on how well the software has been working for them.

## Summary and Recommendations

In conclusion, streamlining of the physical PIP documents and processes, and utilization of OnBase, can both be utilized in conjunction with one another. Once the PIP submission documents are revised, the data needed can be built into the online web-based application where agencies/institutions can directly input their data. The request can then be submitted through a pre-established workflow until it is ultimately exported out of the database by the CBO and into customized report templates that would be provided to JBRC and SFAA. There will be minimal manual effort involved which will allow more time for the agency/institution to prepare the request and the CBO to review and analyze the item before submission to JBRC and SFAA. If we can successfully implement both actions together, the result would be monumental for the state's permanent improvements program.

## **Appendices**

### **(A) SECTION 2-47-30. Powers and duties.**

The committee is specifically charged with, but not limited to, the following responsibilities:

- (1) to review, prior to approval by the State Fiscal Accountability Authority, the establishment of any permanent improvement project and the source of funds for any such project not previously authorized specifically by the General Assembly;
- (2) to study the amount and nature of existing general obligation and institutional bond obligations and the capability of the State to fulfill such obligations based on current and projected revenues;
- (3) to recommend priorities of future bond issuance based on the social and economic needs of the State;
- (4) to recommend prudent limitations of bond obligations related to present and future revenue estimates;
- (5) to consult with independent bond counsel and other nonlegislative authorities on such matters and with fiscal officials of other states to gain in depth knowledge of capital management and assist in the formulation of short and long term recommendations for the General Assembly;
- (6) to carry out all of the above assigned responsibilities in consultation and cooperation with the executive branch of government and the authority;
- (7) to report its findings and recommendations to the General Assembly annually or more frequently if deemed advisable by the committee.

HISTORY: 1976 Act No. 761, Section 3; 1979 Act No. 194, Part I, Section 10; 2014 Act No. 121 (S.22), Pt VII, Section 18.B, eff July 1, 2015.

#### **Effect of Amendment**

2014 Act No. 121, Section 18.B, in subsection (1), substituted “State Fiscal Accountability Authority” for “Budget and Control Board”; in subsection (6), substituted “authority” for “Budget and Control Board”; and made other nonsubstantive changes.

**(B) SECTION 2-47-40.** Information to be furnished by agencies and institutions.

(A) To assist the authority and the Joint Bond Review Committee in carrying out their respective responsibilities, any agency or institution requesting or receiving funds from any source for use in the financing of any permanent improvement project, as a minimum, shall provide to the authority, in such form and at such times as the authority, after review by the committee, may prescribe:

- (1) a complete description of the proposed project;
- (2) a statement of justification for the proposed project;
- (3) a statement of the purposes and intended uses of the proposed project;
- (4) the estimated total cost of the proposed project;
- (5) an estimate of the additional future annual operating costs associated with the proposed project;
- (6) a statement of the expected impact of the proposed project on the five-year operating plan of the agency or institution proposing the project;
- (7) a proposed plan of financing the project, specifically identifying funds proposed from sources other than capital improvement bond authorizations; and
- (8) the specification of the priority of each project among those proposed.

(B) All institutions of higher learning shall submit permanent improvement project proposal and justification statements to the authority, through the Commission on Higher Education, which shall forward all such statements and all supporting documentation received to the authority together with its comments and recommendations. The recommendations of the Commission on Higher Education, among other things, shall include all of the permanent improvement projects requested by the several institutions listed in the order of priority deemed appropriate by the Commission on Higher Education without regard to the sources of funds proposed for the financing of the projects requested.

The authority shall forward a copy of each project proposal and justification statement and supporting documentation received together with the authority's recommendations on such projects to the committee for its review and action. The recommendations of the Commission on Higher Education shall be included in the materials forwarded to the committee by the authority.

(C) No provision in this section or elsewhere in this chapter, shall be construed to limit in any manner the prerogatives of the committee and the General Assembly with regard to recommending or authorizing permanent improvement projects and the funding such projects may require.

HISTORY: 1980 Act No. 518, Section 11; 2014 Act No. 121 (S.22), Pt VII, Section 18.B, eff July 1, 2015.

**Effect of Amendment**

2014 Act No. 121, Section 18.B, added the subsection designators; in subsection (A), substituted "authority" for "State Budget and Control Board (the Board)", deleted "(the Committee)" following "Joint Bond Review Committee", twice substituted "authority" for "Board", and set out the subparagraphs (1) through (8), which formerly were not set out as separate paragraphs; in subsection (B) and the following undesignated paragraph, substituted "authority" for "Board" throughout; and made other nonsubstantive changes.

**(C) SECTION 2-47-50.** Establishment of permanent improvement projects by authority; review of proposed revisions; “permanent improvement project” defined.

(A) The authority shall establish formally each permanent improvement project before actions of any sort which implement the project in any way may be undertaken and no expenditure of any funds for any services or for any other project purpose contracted for, delivered, or otherwise provided prior to the date of the formal action of the authority to establish the project shall be approved. State agencies and institutions may advertise and interview for project architectural and engineering services for a pending project so long as the architectural and engineering contract is not awarded until after a state project number is assigned. After the committee has reviewed the form to be used to request the establishment of permanent improvement projects and has reviewed the time schedule for considering such requests as proposed by the authority, requests to establish permanent improvement projects shall be made in such form and at such times as the authority may require.

(B) Any proposal to finance all or any part of any project using any funds not previously authorized specifically for the project by the General Assembly or using any funds not previously approved for the project by the authority and reviewed by the committee shall be referred to the committee for review prior to approval by the authority.

(C) Any proposed revision of the scope or of the budget of an established permanent improvement project deemed by the authority to be substantial shall be referred to the committee for its review prior to any final action by the authority. In making their determinations regarding changes in project scope, the authority, and the committee shall utilize the permanent improvement project proposal and justification statements, together with any supporting documentation, considered at the time the project was authorized or established originally. Any proposal to increase the budget of a previously approved project using any funds not previously approved for the project by the authority and reviewed by the committee shall in all cases be deemed to be a substantial revision of a project budget which shall be referred to the committee for review. The committee shall be advised promptly of all actions taken by the authority which approve revisions in the scope of or the budget of any previously established permanent improvement project not deemed substantial by the authority.

(D) For purposes of this chapter, with regard to all institutions of higher learning, permanent improvement project is defined as:

(1) acquisition of land, regardless of cost, with staff level review of the committee and the State Fiscal Accountability Authority, up to two hundred fifty thousand dollars;

(2) acquisition, as opposed to the construction, of buildings or other structures, regardless of cost, with staff level review of the committee and the State Fiscal Accountability Authority, up to two hundred fifty thousand dollars;

(3) work on existing facilities for any given project including their renovation, repair, maintenance, alteration, or demolition in those instances in which the total cost of all work involved is one million dollars or more;

(4) architectural and engineering and other types of planning and design work, regardless of cost, which is intended to result in a permanent improvement project. Master plans and feasibility studies are not permanent improvement projects and are not to be included;

(5) capital lease purchase of a facility acquisition or construction in which the total cost is one million dollars or more;

(6) equipment that either becomes a permanent fixture of a facility or does not become permanent but is included in the construction contract shall be included as a part of a project in which the total cost is one million dollars or more; and

(7) new construction of a facility that exceeds a total cost of five hundred thousand dollars.

(E) Any permanent improvement project that meets the above definition must become a project, regardless of the source of funds. However, an institution of higher learning that has been authorized or appropriated capital improvement bond funds, capital reserve funds or state appropriated funds, or state infrastructure bond funds by the General Assembly for capital improvements shall process a permanent improvement project, regardless of the amount.

(F) For purposes of establishing permanent improvement projects, Clemson University Public Service Activities (Clemson-PSA) and South Carolina State University Public Service Activities (SC State-PSA) are subject to the provisions of this chapter.

HISTORY: 1980 Act No. 518, Section 11; 1993 Act No. 178, Section 4; 2004 Act No. 187, Section 10, eff March 17, 2004; 2005 Act No. 143, Section 3, eff June 7, 2005; 2011 Act No. 74, Pt IV, Section 4, eff August 1, 2011; 2014 Act No. 121 (S.22), Pt VII, Section 18.B, eff July 1, 2015.

#### Effect of Amendment

The 2004 amendment added the fourth undesignated paragraph containing items (1) through (6) and the fifth undesignated paragraph relating to the status of projects that meet the definition of permanent improvement project.

The 2005 amendment reprinted the fourth and fifth undesignated paragraphs no apparent change.

The 2011 amendment, in the fourth undesignated paragraph, in subparagraph (1), inserted “, with staff level review of the committee and the Budget and Control Board, Capital Budget Office, up to two hundred fifty thousand dollars”, in subparagraph (2), inserted “, with staff level review of the committee and the Budget and Control Board, Capital Budget Office, up to two hundred fifty thousand dollars”, in subparagraph (3), deleted “construction of additional facilities and” from the beginning, and substituted “one million” for “five hundred thousand”, in subparagraph (5), substituted “in which the total cost is one million dollars or more;” for “and”, in subparagraph (6), added “in which the total cost is one million dollars or more; and”, and added subparagraph (7); and added the last undesignated paragraph relating to Clemson-PSA and SC State-PSA.

2014 Act No. 121, Section 18.B, added the subsection designators; substituted “authority” for “board” throughout; and in subsections (D)(1) and (D)(2), substituted “State Fiscal Accountability Authority” for “Budget and Control Board, Capital Budget Office”.

(D)

Capital Project Required Approval(s) by Transaction Type

Transaction Type	Approval(s) Needed			
	JBRC Staff	JBRC Full	SFAA	ADMIN
Cancel a Project				*
Change Project Name (doesn't meet JBRC criteria)				*
Close a Project				*
Decrease a Project Budget				*
<b>Establish a Project (State Agency):</b>				
- Legislatively Authorized (any amount)				*
- Greater than \$100k but Less than \$250k	*			*
- Greater than or equal to \$250k but less than \$1m		*		*
- Greater than \$1m		*	*	
<b>Establish a Project (Higher Ed):</b>				
- Legislatively Authorized (any amount)				*
- Less than \$1m (work on existing facilities)		PIP Not Required		
- Greater than \$1m (work on existing facilities)		*	*	
- Greater than \$500K (new construction)		*	*	
<b>Increases: (within threshold limits established by JBRC/SFAA)</b>				
- Increase Budget (Legislatively-Authorized Project)				*
- Increase due to Transfer (up to 10%)				*
- Increase Budget (revised total project cost less than \$250,000)	*			*
- Increase Budget (revised total project cost exceeds \$249,999 to \$999,999)		*		*
- Increase Budget (revised total project cost exceeds \$999,999)		*	*	
<b>Land Acquisitions:</b>				
- Less than \$250k	*			*
- Greater than or equal to \$250k but less than \$1m		*		*
- Greater than \$1m		*	*	
<b>Scope Revisions:</b>				
- Project Greater than \$10m and Square Foot Change of 20% or more		*	*	
- Project Less than or equal to \$10m and Square Foot Change of 30% or more		*	*	
- All other that don't meet JBRC criteria				*
<b>Source of Funds Changes (State Agencies):</b>				
- Less than \$100k				*
- Between \$100k and \$250k	*			*
- Greater than \$250k		*		*
<b>Source of Funds Changes (Higher Eds):</b>				
- Less than \$100k and no tuition/fee increase				*
- Between \$100k and \$500k with no tuition/fee increase	*			*
- Greater than \$500k or any amount with tuition/fee increase		*		*
<b>Transfers: (within threshold limits established by JBRC/SFAA)</b>				
- Up to 10% between Projects				*
- Greater than 10% between Projects	*			*

(E) A-1 Form (page 1)

FORM A-1, PAGE 1 OF 2

FOR DEPARTMENT USE ONLY						
CHE _____ JBRC _____ SFAA _____ JBRC Staff _____ ADMIN Staff _____ A-1 Form Mailed _____ SPIRS Date _____ Summary _____	<table border="1" style="width: 100%; border-collapse: collapse;"><thead><tr><th style="background-color: #d3d3d3; text-align: center;">(For Department Use Only)</th></tr></thead><tbody><tr><td style="height: 20px;"> </td></tr><tr><th style="background-color: #d3d3d3; text-align: center;">SUMMARY NUMBER</th></tr><tr><td style="height: 20px;"> </td></tr><tr><th style="background-color: #d3d3d3; text-align: center;">FORM NUMBER</th></tr></tbody></table>	(For Department Use Only)		SUMMARY NUMBER		FORM NUMBER
(For Department Use Only)						
SUMMARY NUMBER						
FORM NUMBER						

PERMANENT IMPROVEMENT PROJECT REQUEST																											
<p>1. AGENCY Code _____ Name _____  Contact Person _____ Phone _____</p> <p>2. PROJECT Project # _____ Name _____  Facility # _____ Facility Name _____</p> <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 25%;"><b>County Code</b></td><td style="width: 50%;">Select County _____</td><td style="width: 25%;"><b>Project Type</b></td><td style="width: 20%;">Select Project Type _____</td></tr><tr><td><b>New/Revised Budget</b></td><td>_____</td><td><b>Facility Type</b></td><td>Select Facility Type _____</td></tr></table> <p>3. CIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR CIP priority number _____ of _____ for FY _____.</p> <p>4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)</p> <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 25%;"><b>Establish Project</b></td><td style="width: 25%;"><input type="checkbox"/></td><td style="width: 25%;"><b>Decrease Budget</b></td><td style="width: 25%;"><input type="checkbox"/></td><td style="width: 25%;"><b>Close Project</b></td><td style="width: 25%;"><input type="checkbox"/></td></tr><tr><td><b>Establish Project - CIP</b></td><td><input type="checkbox"/></td><td><b>Change Source of Funds</b></td><td><input type="checkbox"/></td><td><b>Change Project Name</b></td><td><input type="checkbox"/></td></tr><tr><td><b>Increase Budget</b></td><td><input type="checkbox"/></td><td><b>Revise Scope</b></td><td><input type="checkbox"/></td><td><b>Cancel Project</b></td><td><input type="checkbox"/></td></tr></table> <p>5. PROJECT DESCRIPTION AND JUSTIFICATION (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)</p> <p>6. OPERATING COSTS IMPLICATIONS Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.</p> <p>7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES Estimated Start Date: _____ Estimated Completion Date: _____ Estimated Expenditures: Thru Current FY: _____ After Current FY: _____</p>		<b>County Code</b>	Select County _____	<b>Project Type</b>	Select Project Type _____	<b>New/Revised Budget</b>	_____	<b>Facility Type</b>	Select Facility Type _____	<b>Establish Project</b>	<input type="checkbox"/>	<b>Decrease Budget</b>	<input type="checkbox"/>	<b>Close Project</b>	<input type="checkbox"/>	<b>Establish Project - CIP</b>	<input type="checkbox"/>	<b>Change Source of Funds</b>	<input type="checkbox"/>	<b>Change Project Name</b>	<input type="checkbox"/>	<b>Increase Budget</b>	<input type="checkbox"/>	<b>Revise Scope</b>	<input type="checkbox"/>	<b>Cancel Project</b>	<input type="checkbox"/>
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<b>Increase Budget</b>	<input type="checkbox"/>	<b>Revise Scope</b>	<input type="checkbox"/>	<b>Cancel Project</b>	<input type="checkbox"/>																						

## 8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #

1. \_\_\_\_\_ Land Purchase ----> Land: \_\_\_\_\_ Acres  
 2. \_\_\_\_\_ Building Purchase ----> Floor Space: \_\_\_\_\_ Gross Square Feet  
 3. \_\_\_\_\_ Professional Services Fees  
 4. \_\_\_\_\_ Equipment and/or Materials ----> Information Technology \_\_\_\_\_  
 5. \_\_\_\_\_ Site Development  
 6. \_\_\_\_\_ New Construction ----> Floor Space: \_\_\_\_\_ Gross Square Feet  
 7. \_\_\_\_\_ Renovations - Building Interior ----> Floor Space: \_\_\_\_\_ Gross Square Feet  
 8. \_\_\_\_\_ Renovations - Utilities  
 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age  
 10. \_\_\_\_\_ Renovations - Building Exterior  
 11. \_\_\_\_\_ Other Permanent Improvements  
 12. \_\_\_\_\_ Landscaping  
 13. \_\_\_\_\_ Builders Risk Insurance  
 14. \_\_\_\_\_ Other Capital Outlay  
 15. \_\_\_\_\_ Labor Costs  
 16. \_\_\_\_\_ Bond Issue Costs  
 17. \_\_\_\_\_ Other: \_\_\_\_\_  
 18. \_\_\_\_\_ Contingency

\$0.00 TOTAL PROJECT BUDGET

## ENVIRONMENTAL HAZARDS

Identify all types of significant environmental hazards (including asbestos, PCB's, etc.) present in the project and the financial impact they will have on the project.  
 Type: \_\_\_\_\_

## Cost Breakdown

Design Services \$ \_\_\_\_\_  
 Monitoring \$ \_\_\_\_\_  
 Abate/Remed \$ \_\_\_\_\_  
 Total Costs \$ 0.00

## 9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify)			0.00 0.00 0.00			98800100		3907
TOTAL BUDGET	\$0.00	\$0.00	\$0.00					

## 10. SUBMITTED BY:

Signature of Authorized Official and Title

Date

## 11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

Revised 3/30/16



**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS**  
**RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
 Code \_\_\_\_\_ Name \_\_\_\_\_

2. PROJECT  
 Project # \_\_\_\_\_ Name \_\_\_\_\_

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS      ☐ SAVINGS      ☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	\$ _____	\$ _____	\$ _____	\$ 0.00
2)	\$ _____	\$ _____	\$ _____	\$ 0.00
3)	\$ _____	\$ _____	\$ _____	\$ 0.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? ☒ YES      ☐ NO  
 If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	\$0.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. \_\_\_\_\_

9. Submitted By: \_\_\_\_\_ Date \_\_\_\_\_  
 Signature of Authorized Official and Title

## Budget Load Worksheet

Permanent Improvement Project Budget Load Worksheet	
<b>Basic Project Information</b>	
Agency Number	SPIRS Number
Project Name	
<b>For Existing Projects Only</b>	
State Funded Program	
WBS Number	
<b>Project Systems Project Information</b>	
Project Type	
Cost Center	
Functional Area	
<p><i>In general, projects will be created with only a Level 1 WBS. If you would like an existing project to be copied, you can request that. If you have other special requests please include those here. If you do request that a project be copied, it is your responsibility to check to make sure that all changes have been made appropriately before the project is released. Other requests will be considered if appropriate and resources allow.</i></p> <p><b>Special Requests</b></p> <p>Copy from Project</p> <p>Other Requests (Explain)</p>	
<b>Budget Load Information</b>	
<p><i>In general, budgets will be loaded at the high level fund. If you would like the budget loaded at the 8 digit fund, please indicate that here. Please note that, as of now, EBO cannot load bond funds at the 8 digit fund.</i></p>	
<b>Funding Source 1</b>	<b>Funding Source 2</b>
8 Digit Fund	8 Digit Fund
Fund Center	Fund Center
Functional Area (16 Zeros)	Functional Area
Amount	Amount
Action	Action
<b>Funding Source 3</b>	<b>Funding Source 4</b>
8 Digit Fund	8 Digit Fund
Fund Center	Fund Center
Functional Area	Functional Area
Amount	Amount
Action	Action
<b>For EBO Use Only</b>	
State Funded Program	
WBS Number	
Document Number(s)	
Analyst	

(F)

**SECTION 1: GENERAL – TO BE PROVIDED FOR ALL PROPOSALS**

1. Provide the internal projected cost of the project.

2. Identify the sources of funds to be used for A&E pre-design.

3. Describe and define each fund source to be used for A&E pre-design, with specificity. Cite any statutory authority, including the code section or other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

4. Provide the current uncommitted balance of funds for each source described above.

5. Identify the sources of funds for construction.

6. Describe and define each fund source to be used for construction, with specificity. Cite any statutory authority, including the code section or other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

7. Provide the current uncommitted balance of funds for each source described above.

8. Provide the total square footage of the building to be renovated or constructed.

9. If any portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

10. Describe the programs that will use the constructed or renovated space.

11. Provide the current age of the building and building systems to be renovated or replaced.

12. If any new space is being added to the facility, provide demand and usage data to support the need.

13. If the A&E pre-design request exceeds 1.5% of the internal estimated cost of the project, provide the reason the amount exceeds 1.5%.

14. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

15. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

16. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

17. Discuss how maintenance of this facility construction/renovation will be addressed and funded.

18. Provide the name of any account from which costs of deferred maintenance are addressed and its current uncommitted balance. Indicate the sources used to fund the account.

19. If funding for maintenance of this facility construction/renovation has not yet been determined, discuss the steps that have been taken to address and fund maintenance of this and other facilities owned or managed by the agency or institution.

**SECTION 2 – TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS**

20. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

21. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

22. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

23. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**  
**Description:**

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

24. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

(G)

1. Provide the total projected cost of the project. Attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

2. Identify the source(s) of funds for construction. If any private or federal funds are included, attach a letter guaranteeing the availability of the funds.

3. Describe and define each fund source to be used for construction. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

4. Provide the current uncommitted balance of funds for each source described above.

5. If institution or revenue bonds are included as a source, provide when the bonds were issued. If not issued yet, provide when the bond resolution is expected to be brought for State Fiscal Accountability Authority approval.

6. If a student fee is used to fund debt service, provide the current amount of the fee collected annually or by semester. Specify which.

7. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

8. If the project qualifies for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the conservation measure, please attach the findings of a cost-benefit analysis showing the anticipated energy savings over the life of the project. Additionally, attach the checklist of items to be included to achieve LEED points or a description of the energy measures to achieve LEED.

9. If the project does not qualify for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the construction measure, provide what savings/conservation measures will be implemented within the project. Explain the energy savings measures to be implemented as part of this project. If there are no energy savings measures included, state that and explain why.

10. Provide the projected date (month and year) for execution of the construction contract.

11. Provide the projected date (month and year) for completion of construction.

12. Describe the programs that will use the constructed or renovated space.

13. Provide the total square footage of the building to be renovated or constructed.

14. If a portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

15. Provide the current age of the building and building systems to be renovated or replaced.

16. If any new space is being added to the facility, provide demand and usage data to support the need.

17. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

18. If the construction cost increased significantly from the internal estimate and/or from the total estimated cost provided on the CPIP (30% or more), provide what factors caused the cost to increase.

19. If the contingency is more than 10%, explain why.



20. If funds are being transferred from another project, provide the current status of the project from which funds are being transferred.

21. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

22. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

23. Discuss how maintenance of this facility construction/renovation will be addressed and funded.

24. Provide the name of any account from which costs of deferred maintenance are addressed and its current uncommitted balance. Indicate the sources used to fund the account.

25. If funding for maintenance of this facility construction/renovation has not yet been determined, discuss the steps that have been taken to address and fund maintenance of this and other facilities owned or managed by the agency or institution.

**TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS**

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

3. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

4. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**  
**Description:**

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

5. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

**(H)**

1. Provide a detailed explanation of the reason(s) the budget increase is required, with the dollar amount(s) attributable to each reason. Provide the revised total projected cost of the project. Attach a summary of the revised total cost of the project.

2. Identify the source(s) of funds for the budget increase. If any private or federal funds are included, attach a letter guaranteeing the availability of the funds.

3. Describe and define each fund source to be used for the increase. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

4. Provide the current uncommitted balance of funds for each source described above.

5. If institution or revenue bonds are included as a source, provide when the bonds were issued. If not issued yet, provide when the bond resolution is expected to be brought for State Fiscal Accountability Authority approval.

6. If a student fee is used to fund debt service, provide the current amount of the fee collected annually or by semester. Specify which.

7. If the project has not yet been bid, provide the energy savings/conservation measures and if they will be implemented in the project.

8. If the project has not yet been bid, provide the projected date (month and year) for execution of the construction contract.

9. If the project has not yet been bid, provide the projected date (month and year) for completion of construction.

10. Describe the programs that will use the constructed or renovated space.

11. Provide the total square footage of the building to be renovated or constructed.

12. If a portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

13. Provide the current age of the building and building systems to be renovated or replaced.

14. If any new space is being added to the facility, provide demand and usage data to support the need.

15. Provide an estimate of the number of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

16. If funds are being transferred from another project, provide the current status of the project from which funds are being transferred.

17. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

18. Provide the economic impact of the project or project request, including job creation and retention. If there is no impact, provide an explanation.

**TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS**

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

3. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

4. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**

**Description:**

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

5. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

(I)

1. Provide the total projected cost of the project, including acquisition cost.

2. Identify the source(s) of funds to be used for investigative studies for the acquisition.

3. Describe and define each fund source to be used for the investigative land studies. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

4. Provide the current uncommitted balance of funds for each source described above.

5. Identify the source(s) of funds to be used for the acquisition.

6. Describe and define each fund source to be used for the acquisition. Cite any statutory authority, including the code section other provision of law for use of funds, for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

7. Provide the current uncommitted balance of funds for each source described above.

8. Indicate whether or not the use of any funds for the acquisition require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

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PERMANENT IMPROVEMENT PROJECTS

REQUIRED INFORMATION FOR  
PRELIMINARY LAND ACQUISITION/  
INVESTIGATIVE STUDIES PROJECTS

9. If a student fee is used to fund an acquisition, provide the current amount of the fee collected annually or by semester. Specify which.

10. Provide the total acreage and/or square footage of the land and/or building to be acquired.

11. If a building is involved in the acquisition, identify whether it will have to be renovated and if so, provide the projected cost. Explain.

12. Identify program(s) that will use the land and/or building to be acquired.

13. Provide the current age of the building to be acquired, if applicable.

14. Provide demand and usage data to support the need for the acquisition.

15. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the acquisition.

16. Indicate whether or not the acquisition project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

17. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

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## PERMANENT IMPROVEMENT PROJECTS

### REQUIRED INFORMATION FOR PRELIMINARY LAND ACQUISITION/ INVESTIGATIVE STUDIES PROJECTS

#### TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

3. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

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## PERMANENT IMPROVEMENT PROJECTS

### REQUIRED INFORMATION FOR PRELIMINARY LAND ACQUISITION/ INVESTIGATIVE STUDIES PROJECTS

4. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**

**Description:**

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

5. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

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**REQUEST TO ACQUIRE REAL PROPERTY**

South Carolina Code Section 1-11-58 requires the Department of Administration to review its central listing of surplus real property to determine if an agency's need for real property can be met from existing state-owned property. In order to comply with this statutory requirement, you are requested to complete the following form and send it to the Capital Budgeting Unit, 1205 Pendleton Street, Edgar A. Brown Building, Suite 529, Columbia, South Carolina 29201, prior to submitting an A-1 form to establish a project for a new land acquisition.

Agency Code: \_\_\_\_\_ Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_ Date: \_\_\_\_\_

Statement of Need: (Explain why the property is needed, not the purpose it will be used for):

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Amount of Land Needed: \_\_\_\_\_ County in which land is needed: \_\_\_\_\_

Preferred Location: \_\_\_\_\_

Suitable Alternate Locations: \_\_\_\_\_

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Briefly describe the type of property needed in sufficient detail to enable our review of the records of available surplus property to ascertain whether such property may be suitable for your needs:

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**FOR DEPARTMENT USE ONLY:**

*Identification of property located on surplus property lists which may meet the above need:*

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Notified agency of property(ies): Name: \_\_\_\_\_ Date: \_\_\_\_\_

ADMIN Representative Initials: \_\_\_\_\_ Date: \_\_\_\_\_

(K)

**DEPARTMENT OF ADMINISTRATION  
EXECUTIVE BUDGET OFFICE  
APPROVAL OF PROJECT INVOLVING LAND ACQUISITION  
FOR LIMITED PURPOSES ONLY**

AGENCY: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

PROJECT NUMBER: \_\_\_\_\_ DATE SUBMITTED: \_\_\_\_\_



The approval of this project, which involves the acquisition of land, is for establishment only for the limited purposes of securing: (1) any appraisals which may be required; (2) any land surveying services which may be required; (3) a Phase One Building Condition Assessment on any structures included in the acquisition which may be required; (4) an asbestos survey on any structures included in the acquisition; (5) a Level One Environmental Study for detection of hazardous materials; and (6) any other information desired by the Joint Bond Review Committee or the State Fiscal Accountability Authority which describes further the land proposed to be acquired and the purposes it would serve if acquired.

The agency should forward originals of the appraisal, environmental study and building condition assessment reports to the **Executive Budget Office, Capital Budgeting Unit, 1205 Pendleton Street, Suite 529, Columbia, South Carolina 29201**. We will ensure that the building condition assessment is forwarded and reviewed by the Office of State Engineer.

No authority is given by this approval to acquire any land or to enter into any agreement to acquire land until the required studies have been reviewed by staff and an A-1 form which fully details the project has been reviewed by the Joint Bond Review Committee and approved by the State Fiscal Accountability Authority.

Submission of the A-1 form to finalize the land acquisition, information supplied on the attached format and a letter requesting approval of the acquisition, stating the date by which this approval is required, should be submitted to the Capital Budgeting Unit as noted above.

## **PROPERTY ACQUISITION INFORMATION FORMAT**

### **PART I**

1. Project Number:
2. County:
3. Description of Property:
4. Grantor(s) Name and Address:
5. Grantee(s) Name and Address:
6. County Location:
7. Acreage:
8. Purpose for Acquisition:
9. Demonstrate the need to acquire the property:
10. Purchase Price: \$
11. Current Year Property Tax Amount: \$

### **PART II**

1. How many sites were evaluated?
2. Please list the selection criteria used to evaluate sites.
3. How was the final selection of the site made?

4. Why was this specific site selected?
5. What are the estimated costs of any construction or renovations to be done on the property and the anticipated source of funds for such work?
6. What are the estimated additional annual operating costs which will result from acquisition of the property and the anticipated source of funds? Explain the factors that determine the cost. If no costs, explain why not.
7. What are the estimated additional annual operating costs which will result from construction/renovation on the property and the anticipated source of funds? Explain the factors that determine the costs. If no costs, explain why not.